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No. 272

In the Supreme Court of the United States

OCTOBER TERM, 1932

NORWEGIAN NITROGEN PRODUCTS COMPANY,
PETITIONER

v.

THE UNITED STATES

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF CUSTOMS AND PATENT APPEALS

MEMORANDUM FOR THE UNITED STATES SUBMITTING REPORTS OF THE UNITED STATES TARIFF COMMISSION, TOGETHER WITH A LETTER FROM THE TARIFF COMMISSION AND SCHEDULES ANALYZING THE REPORTS

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Pursuant to the request of the Court we have filed with the Clerk the reports of the Tariff Commission showing its practice concerning the non-disclosure of cost data obtained in the conduct of its investigations under the Acts of 1916, 1922, and 1930, together with three schedules, A, B, and C, prepared by the Commission, which classify the

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pertinent material to be found in these reports, and an explanatory statement received from the chairman of the Commission, which we believe will be found to be supported by the original reports.

Respectfully submitted.

THOMAS D. THACHER,
Solicitor General.

APPENDIX

UNITED STATES TARIFF COMMISSION,
Washington, January 13, 1933.

SIR: Responsive to your request, the Tariff Commission has prepared a memorandum summarizing the protective measures it has taken throughout the past 15 years in safeguarding confidential information acquired in its investigations. This memorandum it transmits herewith together with detailed schedules A, B, and C, which show the manner in which the cost and other data were handled in each of the individual reports.

The Commission also submits a list and copies of its reports to which reference is made in these schedules, separated into groups; I, in which definite reference is made to the safeguarding of confidential information; and II, in which the practice of the Commission is revealed but is not emphasized in textual statements.

The Tariff Commission in its ninth annual report to the Congress (page 17) and in its sixteenth annual report (page 19) discussed definitely its policy and practice with regard to the safeguarding of confidential information. Copies of these annual reports are also submitted.

Very truly yours,

ROBERT L. O'BRIEN, *Chairman.*

Hon. THOMAS D. THACHER,
Solicitor General, Washington, D. C.

MEMORANDUM SUMMARIZING THE ACTIVITIES OF THE TARIFF COMMISSION IN SAFEGUARDING CONFIDENTIAL INFORMATION

From the beginning the Tariff Commission has held consistently to the rule that information revealing operations of individual firms should not be made public. During more than 15 years of the Commission's existence, under changing administrations and changing personnel, this rule has been constantly in mind. The Census of Dyes and Coal-Tar Chemicals for 1917, on page 11, says: "A schedule was sent to all manufacturers early in January, 1918, asking for detailed figures on the output of each product during 1917. The information thus secured direct from the manufacturers is published in this pamphlet in as great detail as can be given without disclosing the operations of individual firms." From then forward the practice of the Commission has been uniformly to treat individual production costs as trade secrets within the intent and purpose of section 708 of the Revenue Act of 1916 as continued in effect by the Tariff Acts of 1922 and 1930. This is shown not only by the commodity reports but also by the annual reports of the Commission to the Congress. (See Ninth Annual Report, page 17, and Sixteenth Annual Report, page 19.)

This principle has been followed not only because in the opinion of the Commission the law forbids the disclosure of such information, but because of the more fundamental reason on which the law is based, namely, that to disclose the operations of individual firms would so violate business ethics that the efforts of the Commission to obtain information would meet with antagonism and obstruction on

every hand. Domestic field work under the handicap of possible disclosure would be largely superficial, and significant foreign work would be impossible.

The safeguarding by the Commission of the activities of individual firms under the law and business ethics referred to above has covered not only secret formulae and confidential methods of operation, if any, but also production and sales statistics, financial operations, and more especially the identity of the cost of production of individual firms. Cost data as a rule are considered more confidential by business men than any other part of the operation of their business because of their intimate relations to secret processes, methods of production, and the commercially valuable plan of management involving profit-making efficiency.

If the first rule of the Commission is not to make public the operations of individual firms, the second rule, so to speak, is to make available to the Congress and to interested persons all significant data obtained, within the limits of the first rule. From the point of view of public policy, and in order to carry out its functions of informing the Congress and the President of the results of its investigations, it is necessary for the Commission to publish in as much detail as practicable the data obtained as the result of its work within the limits of the rule against disclosure. In the preparation of its reports the Commission keeps these two basic rules constantly before it.

The extent to which detailed information may be published under the law and the Commission's practice obviously depends upon the conditions prevailing in particular industries. When there

are only one or two domestic or foreign firms, relatively little basic information can be published. When there are many foreign and domestic producers much more of the detailed information obtained by the Commission may be made public.

These varying conditions from the point of view of publicity may be illustrated by reference to the Commission's reports during the last 15 years. In some instances where the producers or importers are few in number it has been possible to publish cost data only in the form of percentages, using either the foreign or domestic cost as the base of 100 per cent. In some instances percentage differences in costs only have been published. In perhaps the most numerous list of cases it has been practicable to publish average foreign and domestic costs, calculated from the individual costs of several firms. In such instances care has been exercised to see that even averages are not published when one of the firms is so dominant in the industry from the point of view of volume of production that the average figures would be so close to the cost of the large firm that disclosure would result.

The publication of cost data by companies is usually followed by the Commission where there is a large number of individual producers of the foreign or domestic product. In such cases costs are not only shown for the average of the industry, but also by separate companies, identified by code number or letter. In such instances costs by companies are never published if there are fewer than three represented, nor if there are some peculiarities apparent in the figures which would disclose the operations of individuals. In some instances, for example, it may be practicable to publish total costs by

companies, but not the details of material, labor, and overhead, because the relation among these cost elements might lead to identification of some firms. In all cases where costs by companies are presented the figures showing the quantities of production and similar data are omitted, because in many instances such information would disclose the size, and therefore the identity of the individual firms.

The reports of the Tariff Commission may be grouped into three periods: Those prior to the passage of the Tariff Act of 1922 (September 21, 1922), those on investigations conducted under the Tariff Act of 1922, and the reports on investigations under the Tariff Act of 1930.

During the first of these periods the Tariff Commission's activities were primarily directed toward economic studies with little emphasis upon cost of production. Only in a few of the Commission's reports during this period were cost of production data obtained, but even in this period no costs were published so as to reveal the identity of individual operations.

Under the act of 1922 the Tariff Commission prepared detailed preliminary statements of information for use at the public hearings, but data that would disclose the identity and operations of individual producers were uniformly excluded therefrom. Its final reports too were prepared to follow the policy of publishing all of the basic data not in conflict with the provisions against disclosure of confidential information.

Under the act of 1930, on the other hand, the Commission, in order to expedite the completion of investigations, has adopted the policy of preparing shorter reports and publishing only necessary data

to support the decisions made and conclusions drawn in the report, but in much less detail than in the reports under the Tariff Act of 1922.

An analysis of the Commission's reports indicates that they may be classified into three groups.

(A) Reports in which costs are shown by companies (which are identified merely by number or letter). In this group of reports it was sometimes found feasible to publish the costs by companies for one grade of a product or producing center, but to have done so for other grades and producing centers would have disclosed confidential information, and the data were not so shown. Thus, for example, in the crude petroleum report to have shown the costs for eastern Venezuela alone would have revealed the operations of individual concerns. The costs for eastern Venezuela, therefore, were combined with those of Colombia and a number of other South American countries.

Not only has the Commission followed this practice in cost investigations, but also in other studies. For example, in the Commission's "domestic value" investigation, in which the object was to find the rates of duty on domestic value which would give the same amount of duty collected at the 1930 rates on foreign value, the rates required for the different commodities were shown by companies (identified by code numbers) wherever possible in order to show the range in results. In cases where even such publication of the data for individual companies would have permitted the identification of such companies, or because of the fact that there were only one or two companies, or because one of the companies predominated in the industry, the results were not shown by companies.

In publishing the costs by companies the Commission has sometimes found it necessary to combine certain items where the nature or the amounts of such items would clearly identify certain companies. As, for example, in the report on wheat and wheat products the advertising expense of one company was so large as to make its identification possible and this item was merged with general administrative expenses.

In the egg and egg products survey conducted prior to the passage of the act of 1922, one egg products company with a plant in the United States and also one in China, in support of its contention that the duty on frozen eggs should not be higher than 4 cents a pound in the act of 1922, submitted certain comparative costs to the Commission with full permission to publish them if the Commission so desired, provided the company's name was withheld. These unverified data were published by the Commission—the only instance of this kind in any of the Commission's studies or investigations.

It may be interesting to point out the fact that the Commission in two reports (casein and vegetable oils) in the spring of 1926 gave costs by individual companies (by code numbers) in such detail as to lead some interested parties to believe that they could identify the operations of individual firms. As a result of this experience, the Commission has subsequently been especially cautious in publishing its data by separate companies.

(B) The second group of reports is those where costs are shown merely in the form of averages. Thus in the straw hat investigation in 1931, weighted averages were used for three types of sennit hats. Had cost data been shown by com-

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panies under each type, it might have been possible to identify particular companies.

In the report on the canned tomatoes and tomato paste investigation of 1929, to avoid disclosing individual operations costs for producers in the New York, northern Indiana, and Utah districts were combined. In the report on window glass in 1929, the costs of production for the Fourcault plants and those of the Libbey-Owens plants, to avoid disclosure of confidential information were combined, and the costs of the two hand-cylinder companies were combined, for the same reason, with those of the cylinder process group.

In the report on sodium silicofluoride, the foreign costs of Danish and Holland producers were published in combined form in order to avoid the disclosure of the costs in the principal competing country, Denmark.

In the barium carbonate investigation the Commission obtained costs for three domestic companies. The cost data, however, could not be shown except as weighted averages without disclosing individual operations because the processes used by two companies resulted in by-products which had been credited to total production cost. The third company produced no by-products but had a correspondingly lower material cost. The publication of costs by companies would have permitted the identification of companies because of the different processes used by these companies.

(C) In the third group are those reports in which it was not possible to show any cost data because of the fact that there were fewer than three companies, or the number of companies was few

and one predominated in the industry. Thus in the report on pens the Commission obtained costs for seven separate groups of pens but could not publish these costs "for the reason that in each group costs represent the operation of one or two companies only, in either the domestic or the foreign industry, so that the publication of the data might result in the disclosure of individual operations. Moreover, the publication of combined figures for pens corresponding to the three tariff brackets would likewise involve disclosure of the operations of individual concerns."

In certain of the reports in this group cost differences alone are shown, as in the pigskin leather and the edible gelatin reports of 1931. In other investigations where there is only one foreign or one domestic producer, it was not found feasible even to show cost differences. Thus in the alsimin investigation there was one domestic producer and one foreign producer. Neither costs nor production of these companies could be shown, nor the cost difference, without enabling each company to identify the other company's costs.

Among these reports are also to be found some in which cost details are shown, but because of the limited number of companies the costs are expressed merely as percentages. In the phenol report of 1927 domestic costs were shown merely as percentages of foreign costs in order not to disclose the costs of individual companies.

In the whiting report of 1929 it is stated that "the only comparison possible to make in a report that will not disclose the confidential operations

of the individual manufacturer is a comparison of domestic and foreign cost items in percentages."

In the report on furniture of wood, 1932, it is stated that "the nature of the cost data is such that the absolute costs can not be shown without revealing confidential information." The cost details, therefore, were shown as percentages only.

In the attached tables examples of the Commission's practice in safeguarding the information are presented under the three groups mentioned above and for which a few examples have been given, namely: (A) costs by companies (identified by code letters or numbers only), (B) average costs for the industry as a whole or by areas and grades of product, and (C) reports in which the absolute cost figures are not shown but are represented by percentages, or shown only in the form of cost differences. In a few instances, only the necessary change in duty could be shown.

United States Tariff Commission reports—analysis of protective measures used by the commission in reporting cost data

(A) REPORTS IN WHICH COSTS ARE SHOWN BY COMPANIES (IDENTIFIED ONLY BY NUMBER OR SYMBOL)

Investigation	Date	Page reference	Comments
Reports made prior to September, 1922, under the General Powers of the Commission			
Cost of production in the sugar industry	1919	8, 9, and 46	Cost table is so constructed as to make identification of companies impossible. Blank schedule used in obtaining data states "All answers to the following inquiries will be treated as confidential."
Refined sugar—costs, prices, and profits	1920	24	Large number of companies (12), hence costs identified by symbols could be shown without disclosing identity of company data.
Barium, barium chemicals, and lithopone industries (A4).	1920–21	65, 71, 75, and 80	Cost of barytes and lithopone shown by companies of which there are a large number—barium chemicals, weighted averages only because of the small number of companies.
Eggs and egg products	1922	42 and fol	"In 1916, in one of the largest breaking plants in China, the cost of egg meats delivered at the factory and broken from the shell by factory operatives is stated to have averaged 8.173 cents per pound. In 1916, in a typical domestic plant operating in the Central West this cost, as reported, averaged 15.987 cents." The parent company reporting these costs authorized the Commission to publish them.
Reports made under the Act of 1922			
Wheat and wheat products	1924	22, 24	Advertising costs for one flour mill were unusually large and this item was, therefore, not shown separately but included under general administrative expenses to avoid identification.
Sardines	1925	35	Production of each company is not shown as such information might reveal identity.

(A) REPORTS IN WHICH COSTS ARE SHOWN BY COMPANIES (IDENTIFIED ONLY BY NUMBER OR SYMBOL)—Continued

Investigation	Date	Page reference	Comments
Reports made under the Act of 1922—Con.			
Casein	Mar., 1926		Data difficult to obtain and record complicated. In the Commission's effort to show maximum data, information with respect to such items as cost of milk and sales value of products led some interested parties to believe they could identify individual companies.
Certain vegetable oils (sec. 318)	Apr., 1926		
Coconut oil		7	In addition to cost by companies certain production data were shown by which a skillful mathematician by solving a series of equations believed he could identify certain companies. As a result of this the Commission has exercised even greater precaution in the publication of data.
Peanut oil		45	
Butter	1926	118	Foreign conversion costs shown by companies in the appendix. All costs in body of the report shown as averages only.
Rag rugs	1927	9–17	Costs were shown for individual samples. These were of standard constructions made by many mills, so there could be no identification of any particular sample as the product of any particular mill.
Logs of fir, spruce, cedar or western hemlock.	1928	15–16	Departmental costs and total unit costs are shown for individual domestic and foreign companies referred to by number only but, "* * * The quantity produced by each operation is not shown, as the identity of the costs of certain companies might thereby be disclosed."
Cast polished plate glass	1928	3	Cost by individual plants were shown but as only two companies produced plate glass by the continuous process, the production figures for this process alone could not be shown without disclosing confidential information.
		48, 49	In order to prevent the companies from identifying their own cost data throughout the three years, each company was given a different letter or number for each year for which cost data were obtained.

Eggs and egg products	1929		
(a) Frozen eggs		23	Costs shown by companies.
(b) Dried yolks and dried whole eggs		16	Costs for dried yolks and for dried whole eggs obtained from one company.
Linseed oil	1929	57	"These data, which can not be published without disclosing confidential information * * * have not been included in this report." Large number of producers involved permitted showing of costs by companies.
Reports made under the Act of 1930			
Folding rules:	1932		
Wooden		19 ff	Costs of production and importation of one grade published by companies (identity concealed).
Aluminum		3, 6, 13	Costs not published, as only two domestic producers are represented in average costs. Cost difference was expressed as a percentage of dutiable value of foreign product.
Domestic value—conversion of rates	1932	12	"Where there is a possibility of identifying the operation of individual companies only the final converted rate is published." (This prevents identification.)
		35	"Landed cost data were obtained for the valuation analysis, but can not be shown without disclosing confidential information."
		39, 42, 45–7, 64–6, 68, 72–3, 82, and numerous other pages.	"Data can not be shown by companies without disclosing confidential information."

(B) REPORTS IN WHICH COSTS ARE SHOWN ONLY AS AVERAGES

Reports made prior to September, 1922, under the General Powers of the Commission			
Costs of production in the dye industry, 1918–1919 (T. I. S. 18).	1920	13	No costs given by companies because of probability of identification of individual concerns.

United States Tariff Commission reports—analysis of protective measures used by the commission in reporting cost data—Con.

(B) REPORTS IN WHICH COSTS ARE SHOWN ONLY AS AVERAGES—Continued

Investigation	Date	Page reference	Comments
Reports made prior to September, 1922, under the General Powers of the Commission—Continued			
Wool-growing industry	1921		
Tariff Information Survey J-3 Floor coverings other than wool.	1921	31, 44, 95	Costs shown by group averages only.
Cattle and beef industry in the United States.	1922		
Sheep and wool production in Argentina.	1922		
Reports made under the Act of 1922			
Sugar	1924	16–19	Average costs by years and by areas and countries.
Sugar beets	1924		Costs shown by areas.
Potassium chlorate	1925	7	Weighted average domestic costs compared with weighted average invoice price of imported product.
Print rollers	1925	6–9	Costs published as averages and by types of domestic shops.
Gold leaf	1925	8 ff	Only averages given for 76 shops in United States.
Cotton warp-knit fabric gloves	1925	16–17	Shown as averages, except in one instance where a single foreign sample was used, but as costs were obtained from 5 foreign mills this could not be identified in the form given.
Cotton warp-knit fabric (printed with the report on gloves).	1925	73–75	Costs for the fabric were shown by individual samples without disclosing the identity of the mills.

Live bobwhite quail	1925	5	Costs presented merely in the form of averages.
Men's sewed straw hats	1925	10 ff.	Averages given, by price groups.
Cotton hosiery	1926	24–25, 30, 46–48, 61–74	Pages 61 to 74 show costs of individual samples; previous pages show averages. The identity of the company is not disclosed. Costs were obtained from 55 domestic and 7 foreign companies; as these samples are of standard constructions made by many mills the product of an individual mill could not be identified, especially as the need for uniformity in the Commission's method of handling costs necessitated a regrouping of cost details.
Methanol	1926	14, 20	Costs were shown by 3 geographical areas because of widely varying conditions in each. There were a large number of producers of crude methanol. Costs of refining methanol were shown in the form of averages only of 6 refiners. "As cost data could be obtained for the first half of 1925 from only 1 refining plant, no statement of costs of refining in that period can be made public."
Iron in pigs	1927	15 ff.	Domestic costs published by grades and districts except where to do so would disclose confidential data.
Red cedar shingle industry (sec. 318)	1927	36–47	Costs shown by grades and classes of mills.
Swiss cheese	1927	15 ff.	Detailed costs shown by areas.
Lake fish	1927		Costs shown for various kinds of fish.
Cherries	1927	15 ff.	Growing costs shown by areas and States. Processing costs shown as average only.
Corn	1928	13 ff.	Costs shown by States.
Maple sugar and maple sirup	1928	24 ff.	Costs shown in the form of averages for States and areas.
Onions	1928	35 ff and appendix	Average costs shown by areas and types of onions.
Fluorspar	1928	19, 20, 21, 23, 25	Average costs of certain grades shown.
Barium carbonate	1928	8, 11, 14	Costs for only 3 companies. "Cost data can not be given except as weighted averages without disclosing individual operations. * * * For example the processes used by two companies result in by-products which have been credited to total production costs; the third company produces no by-products, but has a correspondingly lower material cost. Such differences in process result in a wide variation between certain cost items for the individual companies."
Sodium silicofluoride	1928	14, 17	Costs presented only in the form of averages. ("Production costs for Denmark and Holland can not be published separately without revealing confidential information. Denmark's costs, therefore, have been combined with those of Holland in this statement" (p. 13).)

(B) REPORTS IN WHICH COSTS ARE SHOWN ONLY AS AVERAGES—Continued

Investigation	Date	Page reference	Comments
Reports made under the Act of 1922—Con.			
Granite, manufactured and unmanufactured, monumental.	1929	15, 52	Average costs shown by producing districts for all areas except the Pennsylvania district. Pennsylvania costs not shown because cost data were obtained for only two companies.
Milk and cream	1929	22, 24, 25, 26, 27, 34, 35, 36, 38, 39, 44, 70.	Costs presented merely in the form of averages.
Peanuts	1929		
Flaxseed	1929		
Canned tomatoes and tomato paste	1929	30	Footnote, Table 22. To avoid disclosing individual operations, costs for New York district are not shown separately.
		59	Footnote, Table 46. To avoid disclosing individual operations, costs for Utah district are not shown separately.
		62	Footnote under Table 51. To avoid disclosing individual operations, costs for New York, northern Indiana, and Utah districts are not shown separately.
		63	Footnote under Table 53. To avoid disclosing individual operations, costs for New York and Maryland districts are not shown separately.
Window glass	1929	9, 18, 26	Weighted average costs are shown by processes and by areas. The figures for mechanically produced glass include not only the Fourcault plants but also the plant of the Libbey-Owens Co. Costs combined to avoid disclosure. The costs for the two hand cylinder plants are included in the cylinder process group. Costs for these two companies could not be shown separately because of the possibility of disclosing confidential information. Prices for Pacific coast markets obtained from one company only and were therefore not published, the report stating merely their relation to average United States price.

Reports made under the Act of 1930

Crude petroleum (sec. 332)	1931		Weighted averages by States and cost ranges.
Crude petroleum and its liquid refined products (sec. 332).	1931	11, 23, 42, 45	"With the costs for eastern Venezuela were combined the costs obtained for Colombia, Peru, Ecuador, and Trinidad, in order to avoid disclosure of individual company operations." Averages only shown for gas and fuel oils, and gasoline.
Maple sugar and maple sirup	1931	10 and 11	Detailed costs shown by States and areas.
Woven wire fencing and netting	1931	4, 10, 12, 13, 14	Costs published as averages of 11 different grades of netting by regions. Figures for two regions combined to conceal confidential information. "Figures for the Pacific coast district can not be shown separately, as to do so would disclose the operations of individual concerns."
Wood flour	1931	9	
Ultramarine blue	1931	11	Costs are shown by price groups.
Hats, bonnets, and hoods of straw	1931	4, 9	Weighted averages used for three types of sennit hats. Were costs to be shown by companies under each type, it might be possible to identify a particular company.
Wool-felt hat bodies and hats	1931	9	Only averages given.
Smokers' articles	1931	2, 6	Average costs of all companies are shown by price groups. Were data to be shown by companies under each price group, it might be possible to identify costs of a particular company.
Fourdrinier wires, woven wire cloth, and cylinder wires.	1931	9	Average costs shown by size groups.
Olive oil	1931	12	
Bent-wood furniture and parts thereof	1931	8	
Hemp cordage	1931	6–7	Costs shown by group averages.
Dried egg products	1931	12	
Iron in pigs and iron kentledge	1931	14, 15, 16, 17, 18	Domestic costs published as averages.
Crin vegetal, flax upholstery tow, and Spanish moss.	1931	7 ff	Costs shown by group averages.
Lumber	1931	3, 17–22	Average costs are shown in detail by species and geographic regions.
Cylinder, crown, and sheet glass	1931		Average costs at principal markets.
Feldspar	1931		Weighted average costs by areas.

United States Tariff Commission reports—analysis of protective measures used by the commission in reporting cost data—Con.

(B) REPORTS IN WHICH COSTS ARE SHOWN ONLY AS AVERAGES—Continued

Investigation	Date	Page reference	Comments
Reports made under the Act of 1930—Con.			
Cement	1931	4	Weighted average costs of cement by areas.
Cement clinker	1931	4	Costs were obtained for one domestic and one foreign plant only. "These costs can not be disclosed without revealing the operations of individual concerns."
Copper (sec. 332)	1931	34, 68, 70	Average costs shown by operations and by regions. "Cost of mining and concentrating [referring to blister copper] can not be given separately * * * make possible derivation * * * costs of individual concerns." "Details * * * can not be shown without disclosing the operations of individual concerns."
		77	"Small number of * * * operations * * * precludes separate publication of * * * costs."
Fresh vegetables (fresh tomatoes, green peppers, green peas, string beans, lima beans, eggplant, cucumbers, and okra)	1931		
Pineapples	1931		
Creosote oil (sec. 332)	1932	19, 25, 26	Costs shown by price ranges and for districts.
Umbrellas and umbrella frames and skeletons.	1932	3	Costs published as averages of five classes of umbrellas and four types of construction of frames and skeletons.
Infants' wool knit outerwear	1932	22–24	Costs shown by group averages.
Sponges	1932		Costs shown by types.
Vegetable oils and copra	1932	23, 27	Average costs shown for coconut and sesame oils; costs not published for whale oil (2 companies only).
Cotton velveteens and velvets	1932	25–26, 41	Costs shown by group averages. Page references stated are for the mimeographed report; printed report not yet available.

(C) NO COST DATA, OR MERELY COST DIFFERENCES OR DOMESTIC AND FOREIGN COSTS EXPRESSED AS PERCENTAGES OF EACH OTHER

Investigation	Date	Page reference	Comments
Reports made under the Act of 1922			
Sodium nitrite	1924	4 and 5	No costs disclosed because costs were obtained from only two domestic companies.
Barium dioxide	1924	5	No costs disclosed because there were only two domestic producers.
Diethylbarbituric acid	1924	6	No costs disclosed because there were two domestic manufacturers only.
Oxalic acid	1924	4	No domestic costs disclosed because there were two domestic producers only.
Taximeters	1925	5	Comparisons based on two American companies and one German company. "Publications of the costs of production of these companies would reveal the operations of individual manufacturers and disclose confidential information contrary to the provisions of section 708 of the Revenue Act of 1916."
Wall pockets	1925		No cost data shown.
Paintbrush handles	1926	9	Ratio of domestic to foreign costs alone shown. In this investigation the costs for three domestic and one foreign producer were obtained. On page 11 this statement is made: "Table 4, giving the frequency distribution of the cost ratios, contains the only data (cost ratios) that can be shown in the text without disclosing confidential information. * * *"
Cresylic acid	1927	13	"Actual production costs can not be published for either foreign or domestic concerns without disclosing the operations of individual companies."
Magnesite	1927	9	"The prices actually received * * * which the commission is not at liberty to disclose."
		12	"Since the freights paid reveal the operations of individuals they are not presented."
		15	"Because of the small number of producers, actual cost data can not be published by the commission without revealing the trade secrets of individual operators."
		17	"The cost of transportation * * * can not be made public."

United States Tariff Commission reports—analysis of protective measures used by the commission in reporting cost data—Con.

(C) NO COST DATA, OR MERELY COST DIFFERENCES OR DOMESTIC AND FOREIGN COSTS EXPRESSED AS PERCENTAGES OF EACH OTHER—Continued

Investigation	Date	Page reference	Comments
Reports made under the Act of 1922—Con.			
Phenol	1927	8	"Actual production costs can not be published for either foreign or domestic concerns without disclosing the costs of individual companies." Domestic costs expressed as percentages of foreign costs.
Potassium permanganate	1928		Costs shown as percentages because there was only one domestic and one foreign producer.
Whiting or ground chalk and precipitated chalk.	1929	11-12, 26	"The only comparison possible to make in a report that will not disclose the confidential operations of the individual manufacturer is a comparison of domestic and foreign cost items in percentages."
Reports made under the Act of 1930			
Pigskin leather	1931	4	No foreign or domestic costs or comparisons of cost are shown "because to do so would reveal the operations of individual concerns."
		6, 7	"Nor can the commission without revealing the operations of individual concerns make known the production of tanners included in this investigation." Only one domestic producer.
Edible gelatin	1931	6	To avoid disclosure of confidential information only the difference in cost is given. "To guard against disclosure of the Netherlands company's costs, either directly or inferentially, from the average cost of the domestic product, the commission has omitted the detailed cost data from this report." Difference in delivered costs only shown.

Pipe organs	1931	2 and 3	(A) * * * "Inasmuch as there is only one producer in the principal competing country, these costs can not be disclosed." (C) * * * "The excess of the cost of production, including transportation and other delivery charges to the principal markets in the United States, of the domestic product over the corresponding cost of the foreign product, can not be disclosed without revealing confidential information of an individual producer."
		6	"As the costs obtained by the commission from Canada are for a single producer costs of production can be given only in percentages."
Bells, chimes, and carillons	1931	2	"Inasmuch as the costs of production selected as representative of the domestic industry for the purposes of this investigation are those of a single producer, no costs can be published without disclosing the operations of an individual firm." Cost differences only were shown.
Boots and shoes	1931	3	"The * * * costs of production * * * can not be disclosed without revealing the operations of individual foreign concerns." Costs were obtained for one company in Switzerland, two in Czechoslovakia, two in England, and one in Scotland. The differences between domestic and foreign costs were shown as percentages of dutiable value.
Gauge glass tubes	1931	2	"As domestic costs were obtained from only one producer, neither the foreign nor the domestic costs can be disclosed."
		1	"Domestic production of gauge glass tubes can not be stated without disclosing the operations of an individual firm." Only ad valorem duty required to equalize the cost difference was published.
Pens	1931	2	Costs of production not published. "The domestic and the foreign costs of production during 1929 of pens of the seven groups mentioned were ascertained by the commission, but these costs can not be disclosed without revealing the operations of individual concerns."
		8	"Costs for the seven separate groups of pens above mentioned can not be published for the reason that in each group costs represent the operation of one or two companies only, in either the domestic or the foreign industry, so that the publication of the data might result in the disclosure of individual operations. Moreover the publication of combined figures for pens corresponding to the three tariff brackets would likewise involve disclosure of the operations of individual concerns."

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(C) NO COST DATA, OR MERELY COST DIFFERENCES OR DOMESTIC AND FOREIGN COSTS EXPRESSED AS PERCENTAGES OF EACH OTHER—Continued

Investigation	Date	Page reference	Comments
Reports made under the Act of 1922—Con.			
Alsimin, Silicon Aluminum, etc	1932	2	Par. 7 (A) "costs can not be disclosed without revealing the operations of individual concerns."
		5	2d paragraph: "As there is only one domestic producer, statistics of production can not be shown * * *."
		6	Last paragraph: "only one domestic producer, the cost * * * can not be revealed."
		7	4th paragraph: "Inasmuch * * * only one domestic and one foreign producer * * * neither the costs of production nor the cost comparison can be shown."
Furniture of wood	1932	12 ff	"The nature of the cost data is such that the absolute costs can not be shown without revealing confidential information." Cost details were therefore shown as percentages only.
Inedible gelatin, glue, glue size, and fish glue.	1932		
a. Hide glue and extract bone glue		16	Weighted average costs withheld to avoid disclosing costs of one foreign producer.
b. Photographic gelatin		18	Only 2 domestic producers. Details of domestic and foreign costs, expressed as percentages of total f. o. b. plant cost. Difference in costs was shown.
Cocoa-fiber mats	1932		Report shows no costs, only difference in costs.
		19	On page 19 of the report it is stated "The costs of production of cocoa-fiber mats in the United States can not be published in detail without disclosing confidential information." (The reason for this statement was the fact that costs were obtained from only two domestic mills, only one of which made a complete line.)

Optical fire control instruments	1932	4, 11, 15	Costs not published because only one domestic producer. Production figures obtained in investigation likewise not published. Cost differences not published, but shown as a percentage of average foreign value.
Precision drawing instruments, and parts thereof, wholly or in chief value of metal.	1932	2, 3, 16	Costs not published because only one domestic producer. Production figures obtained in investigation, likewise not published. Cost differences not published, but shown as a percentage of average foreign value.
Upholsterers' nails, chair glides and thumb tacks, finished or unfinished.	1932	20, 22, 25	Highest and lowest costs obtained from six producers shown. Costs of one-piece thumb tacks not shown to avoid disclosing confidential data.
Agricultural hand tools	1932	19, 20	Cost of forks, hoes, and rakes not published; differences in cost of individual articles shown. Only two domestic producers, and only one German, and one Swedish manufacturer included.
		28	Costs of shovels, spades, scoops, and drainage tools not shown.
		38, 39, 40	Average costs of foreign and domestic scythes shown.
		46, 47, 48	Average costs of foreign and domestic grass hooks published by grades.
		52	Average costs of domestic corn knives shown. Foreign cost not shown—only one producer. Cost differences not shown.
Blown glass tableware	1932		No cost data shown; duty necessary to equalize costs shown by companies.
Crab meat	1932	13	"As publication of the costs of the two plants would reveal individual enterprise they are not included in this report." The reference here is to one plant in Alaska and one in Virginia.
		16	"Representatives of one Japanese company * * * furnished the commission with records of its costs of production * * *. As publication of these records would reveal individual enterprise, they are not included in this report."
Barley malt	1932	3	Costs were ascertained in accordance with Sec. 336 (e) (1) (A) and (2) (A) but "these costs can not be disclosed since to do so would reveal the operations of individual concerns."
		41	"The commission's cost study in Canada covered the operations of two firms who produce all of the Canadian barley malt offered for sale. In order to keep the costs of these two firms confidential, the commission is presenting in its final table of comparisons the differences in the principal cost items as disclosed by its investigation, and the amount needed to equalize the differences in the costs of production as disclosed by the investigation for each of the two principal markets, as well as for the weighted average of costs for both markets."

LIST OF REPORTS SUBMITTED

I

Annual, commodity, and special reports of the Tariff Commission in which definite reference as to the safeguarding of confidential information is made.

ANNUAL REPORT TO CONGRESS:

Ninth Annual Report of the United States Tariff Commission, 1925.

Sixteenth Annual Report of the United States Tariff Commission, 1932 (Page Proof).

COMMODITY AND SPECIAL REPORTS:

Reports referred to in Schedule A—

Eggs and Egg Products, 1922.

Certain Vegetable Oils, Part I—Costs of Production, 1926.

Logs of Fir, Spruce, Cedar, or Western Hemlock, 1928.

Cast Polished Plate Glass, 1928.

Eggs and Egg Products, 1929.

Domestic Value—Conversion of Rates, 1932.

Reports referred to in Schedule B—

Barium Carbonate, 1928.

Sodium Silicofluoride, 1928.

Canned Tomatoes and Tomato Paste, 1929.

Woven Wire Fencing and Netting, 1931.

Cement, 1931.

Copper, 1931—Report to the United States Senate.

Reports referred to in Schedule C—

Taximeters, 1925.
Paintbrush Handles, 1926.
Cresylic Acid, 1927.
Magnesite, 1927.
Phenol, 1927.
Whiting or Ground Chalk and Precipitated Chalk, 1929.
Pigskin Leather, 1931.
Edible Gelatin, 1931.
Pipe Organs, 1931.
Bells, Chimes, and Carillons, 1931.
Boots and Shoes, 1931.
Gauge Glass Tubes, 1931
Pens, 1931.
Silicon Aluminum, Aluminum Silicon, Alsimin, Ferro-Silicon Aluminum, Ferro-Aluminum Silicon, 1932.
Furniture of Wood, 1932.
Cocoa-Fiber Mats, 1932.
Crab Meat, 1932.
Barley Malt, 1932.

II

Reports of the Tariff Commission in which the practice of the Commission with respect to safeguarding of confidential information is indicated without special reference thereto:

Reports referred to in Schedule A:

Wheat and Wheat Products, 1924.
Butter, 1926.
Casein, 1926.
Rag Rugs, 1927.
Linseed Oil, 1929.
Folding Rules, 1932.

Reports referred to in Schedule B:

Sugar, 1924.
Potassium Chlorate, 1925.
Print Rollers, 1925.
Gold Leaf, 1925.
Cotton Warp-knit Fabric Gloves and Cotton Warp-knit Fabric, 1925.
Live Bobwhite Quail, 1925
Men's Sewed Straw Hats, 1925.
Cotton Hosiery, 1926.
Methanol, 1926.
Iron in Pigs, 1927.
The Red Cedar Shingle Industry, 1927.
Swiss Cheese, 1927.
Lake Fish, 1927.
Cherries (Sulphured or in Brine), 1927.
Corn or Maize, 1928.
Maple Sugar and Maple Sirup, 1928.
Onions, 1928.
Granite, 1929.
Milk and Cream, 1929
Peanuts, 1929.
Flaxseed, 1929.
Window Glass, 1929.
Crude Petroleum, 1931.
Crude Petroleum and its Liquid Refined Products, 1931.
Maple Sugar and Maple Sirup, 1931.
Wood Flour, 1931.
Wool Floor Coverings, 1931.
Ultramarine Blue, 1931.
Hats, Bonnets, and Hoods of Straw, 1931.
Wool-Felt Hat Bodies and Hats, 1931.
Smokers' Articles, 1931.
Fourdrinier Wires, Woven-Wire Cloth, and Cylinder Wires, 1931
Olive Oil, 1931.
Bent-Wood Furniture, 1931.
Hemp Cordage, 1931.

Reports referrred to in Schedule B—Contd.

Dried Egg Products, 1931.
Iron in Pigs and Iron Kentledge, 1931.
Crin Vegetal, Flax Upholstery Tow, and Spanish Moss, 1931.
Lumber, 1931.
Cylinder, Crown, and Sheet Glass, 1931.
Feldspar, 1931.
Fresh Vegetables, 1931.
Pineapples, 1931.
Dead or Creosote Oil, 1932.
Umbrellas and Umbrella Frames and Skeletons, 1932.
Infants' Wool Knit Outerwear, 1932.
Sponges, 1932.
Certain Vegetable Oils, Whale Oil, and Copra, 1932.
Cotton Velveteens and Velvets, 1932.

Reports referred to in Schedule C:

Sodium Nitrite, 1924.
Barium Dioxide, 1924.
Diethylbarbituric Acid and Derivatives, 1924.
Oxalic Acid, 1924.
Wall Pockets, 1926.
Potassium Permanganate, 1928.
Inedible Gelatin, Glue, Glue Size, and Fish Glue, 1932.
Optical and Fire Control Instruments, 1932.
Precision Drawing Instruments, and Parts Thereof, Wholly or in Chief Value of Metal, 1932.
Upholsters' Nails, Chair Glides, and Thumb Tacks, Finished or Unfinished, 1932.
Agricultural Hand Tools, 1932.
Blown Glass Tableware, 1932.

U. S. GOVERNMENT PRINTING OFFICE: 1939